

AMENDED IN SENATE APRIL 13, 2005

AMENDED IN SENATE MARCH 29, 2005

SENATE BILL

No. 513

Introduced by Senator Soto
(Coauthor: Senator Machado)

February 18, 2005

An act to add Section ~~409.12~~ 409.13 to the Military and Veterans Code, relating to military benefits, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 513, as amended, Soto. California National Guard: benefits and protection: deferral of interest on financial obligations.

Existing law provides certain protection for members of the California National Guard and reservists called to active duty, as specified, during the period of military service, with respect to, among other things, taxes or assessments, health or medical insurance, and death benefits payable to the surviving spouse or designated beneficiary of any member of the California National Guard, as specified.

This bill would create an additional benefit, subject to specified limitations, for members of the California National Guard killed in the line of duty in the service of the state or federal government by requiring a deferral, without penalty or accrual of any additional interest, for a period of 6 months after the member's death, of any interest on a financial obligation or liability, as specified, incurred by that member, his or her surviving spouse, or the member's beneficiary, as defined, before the member's entry into service.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 409.13 is added to the Military and
2 Veterans Code, to read:

3 409.13. (a) To the extent permitted by federal law and the
4 California Constitution, any principal and interest on any
5 financial obligation or liability bearing interest and incurred by
6 a member of the California National Guard, his or her surviving
7 spouse, or the member's beneficiary shall be deferred for a
8 period of six months after the death of the member without
9 penalty or accrual of any additional interest.

10 (b) For purposes of this section, the following terms have the
11 following meanings:

12 (1) "Interest" includes service charges, renewal charges, fees,
13 or any other charges with respect to any obligation or liability.

14 (2) "Beneficiary" means a beneficiary of the deceased
15 member of the California National Guard who is or has become,
16 after the member's death, liable for any of the member's
17 financial obligations or liabilities bearing interest.

18 (c) This section shall only apply:

19 (1) To a member of the California National Guard that is
20 killed in the line of duty in the service of the state or federal
21 government.

22 (2) When a member's surviving spouse or other beneficiary
23 provides written notice of the death of the member to the
24 financial institution to which he or she is liable and from which
25 he or she is requesting deferral of interest and payments as set
26 forth in this section.

27 (3) To a financial obligation or liability bearing interest that
28 was created between a private entity and a member of the
29 California National Guard, his or her surviving spouse, or his or
30 her beneficiary before that member's entry into service.

31 ~~SECTION 1. Section 409.12 is added to the Military and~~
32 ~~Veterans Code, to read:~~

33 ~~409.12. (a) To the extent permitted by federal law and the~~
34 ~~California Constitution, any interest on any financial obligation~~
35 ~~or liability bearing interest and incurred by a member of the~~

1 ~~California National Guard, his or her surviving spouse, or the~~
2 ~~member's beneficiary shall be deferred for a period of six months~~
3 ~~after the death of the member without penalty or accrual of any~~
4 ~~additional interest.~~

5 (b) ~~For purposes of this section, the following terms have the~~
6 ~~following meanings:~~

7 (1) ~~"Interest" includes service charges, renewal charges, fees,~~
8 ~~or any other charges with respect to any obligation or liability.~~

9 (2) ~~"Beneficiary" means a beneficiary of the deceased member~~
10 ~~of the California National Guard who is or has become, after the~~
11 ~~member's death, liable for any of the member's financial~~
12 ~~obligations or liabilities bearing interest.~~

13 (e) ~~This section shall only apply:~~

14 (1) ~~To a member of the California National Guard that is~~
15 ~~killed in the line of duty in the service of the state or federal~~
16 ~~government.~~

17 (2) ~~When a member's surviving spouse or other beneficiary~~
18 ~~provides notice of the death of the member to the financial~~
19 ~~institution to which he or she is liable and from which he or she~~
20 ~~is requesting deferral of interest and payments as set forth in this~~
21 ~~section.~~

22 (3) ~~To a financial obligation or liability bearing interest that~~
23 ~~was created between a private entity and a member of the~~
24 ~~California National Guard, his or her surviving spouse, or his or~~
25 ~~her beneficiary before that member's entry into service.~~

26 SEC. 2. This act is an urgency statute necessary for the
27 immediate preservation of the public peace, health, or safety
28 within the meaning of Article IV of the Constitution and shall go
29 into immediate effect. The facts constituting the necessity are:

30 In order to provide immediate relief to surviving spouses and
31 certain beneficiaries of deceased members of the California
32 National Guard, it is necessary for this act to take effect
33 immediately.